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23 June 53

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1. "The metal-ceramic cooperative 'Kamina' in Sofia is known officially as Metalno Keramichesko Predriyatie Kooperatsya Kamina. It has offices at Boulevard Stamboliyski No. 42. It produces stove tiles, boilers, kettles, stoves, bathroom fittings, kettles for communal kitchens. It also engages in building and repairing chimneys. My knowledge of this cooperative extends through October 1952.
2. "The cooperative workshops are in a suburb of Sofia called Orlan-Dovtsi. One workshop produces stove tiles. The other produces boilers, fire grates, kettles, etc., and also makes repairs.
3. "The Kamina Cooperative was established by the State, which forced private artisans, potters, stove and chimney builders into the collective. At the beginning the cooperative had 100 members. Their number had dwindled by mid-1952 to 40 members only. Many members, unable to make a living, had quit the cooperative to find other jobs. The most skilled had been transferred by the State to state-owned enterprises.
4. "The Kamina Cooperative is subordinated to the Centralen Kooperativen Soyuz (Central Cooperative Union) but receives no financial help or credits from this source. On the contrary, the authorities try to create all possible difficulties for the cooperative in order to force it to self-dissolution, which would enable them to establish a state owned enterprise.

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5. "The cooperative works in the following way: (a) If a customer wants work done on his premises he must call at the cooperative and pay a preliminary fee of 8 leva. The cooperative sends a foreman to discuss the job with the customer. Then a contract is signed between the customer and the cooperative, in which 7% of net profit is provided for the cooperative. The bills are paid by the customer to a bank on the account of the cooperative. Small payments can be made directly to the cashier office of the cooperative but they must be immediately transferred to the bank. If a sum larger than 400 leva is found in the cashier's office, the cashier is liable to prosecution. This provision causes many difficulties for the management of the cooperative, as it often has no money for current expenses.

(b) Members of the cooperative are paid according to the fulfilled 'norms' of work 20 to 28 leva per day. The pay day should fall on the third of every month, but the cooperative is usually short of cash and is able to pay only about the 10th or 15th of each month. Sometimes there is no work to be done, and some of the cooperative members work only a few days within a month. From the wages due them they cannot make a living.

(c) The cooperative employs a number of clerks who are not members of the cooperative. They are paid fixed wages each month. Thus, the bookkeeper gets 600 leva, the 'calculator' 450 leva, the cashier 400 leva, the store keeper 436 leva, and the file keeper 380 leva.

6. "There is much dissatisfaction and ill feeling among the members of the cooperative. The only communist among the members is Yordan Kostov from the village of Negovan in the Sofia district. He had been a bailiff in his native village representing the Communist Party. However, he committed embezzlement in office and was dismissed. Yet soon after, the CP nominated him chairman of the Kamina Cooperative. In 1952, however, the cooperative members defied the strong CP pressure and refused to elect him their chairman. The CP again intervened and nominated him vice-chairman and technical director of the cooperative. Kostov is despised by everybody. He spies upon people and denounces them to the CP. However, he cannot be relieved from his post. There is a strong antagonism between the workers and him. This probably has caused the complete decline of the cooperative. But that would be just what the Communists are always aiming at."

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7. "Other Personnel:

a) Up till 1951 the manager of the foundry was Nikola Atanasov, former foundry owner and the best specialist in town. He was replaced in 1951 by Stefan Savtchev, a Communist party activist.

b) The head of the knife department and of the forge is Nikola Pentchev, 38. He used to own a private knife workshop himself and is a good craftsman who does not belong to the CP. His monthly wages are about 600 lev.

c) Stefan Shandurkov, age 50-55, is the head of the machinery department. He graduated from a technical school, owned a very well organized workshop and brought to the cooperative most of its inventory and raw material. A very able specialist, he belonged to N. Petkov's Peasant Party and has been sent several times to compulsory labor camps. The Communists are doing their best to get rid of him but they cannot find another specialist of equal knowledge to replace him. His wages are about 650 lev per month. Shandurov's assistant is the 35-year-old Dimitar Ivanov. Although he graduated from a technical school, the work does not interest him. His only interest is sport. He heads the physical training department in the Cooperative. He does not belong to the CP.

d) Wela Georgijeva Koseva, wife of a Stahkanovite worker, aged 30, high school education, non-Party member, is in charge of the warehouse (wages 450 lev per month), together with 'Pentcho' (I do not remember his surname), age about 38, high school education, who does not belong to the Party.

e) The supply department is headed by Yordan Shiptchanov, a CP member. His duties are simple. He just receives official notices from the Regional Cooperative Union office that the Stomana cooperative has been allocated so much of this or that material. He only has to go, accept the allocation and pass it to the warehouses.

8. "There are four night watchmen, each paid 480 lev per month by the Cooperative. They are subordinated to the militia. One is a member of the CP.

9. "According to a new law a cooperative cannot employ more than 5% who are not members of the cooperative. This regulation is strictly followed. However, there is a way to arrange things. An outsider is hired for three months. After that period he is asked to join the cooperative, to bring in some capital (usually in monthly instalments which will be deducted from his future monthly wages). If he does not

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accept the offer and is indispensable, he is kept on another six months. Then if he still does not join the cooperative, he is dismissed.

10. "Cooperative workers are paid by piece-work. Usually they earn from 400 to 500 lev per month. Stomana both manufactures and repairs, so there is enough work for everybody. Often the workers have to do jobs outside their fields.
11. "The production costs are calculated as follows: actual cost of material used, wages, 162% of wages for social insurances of every kind, cost of electricity, depreciation of machinery and instruments, rent or depreciation of buildings, plus 6% of the total of all previous costs for the cooperative's profit. [sic] The annual income of the Stomana cooperative for 1951-2 was about 40 million lev (before the currency reform).
12. "All cooperatives have to prepare balance sheets every three months. General meetings must be held during the spring. The last general meeting at which I participated took place in May 1952. Three days earlier every member was handed a notice of the agenda: the Board's report, the report of the Controlling Commission, the presentation of incomes and losses and the division of profit, acceptance and dismissal of members. About 60 members attended. In the afternoon the 'planner' read the Cooperative's plan for the following year. This plan was accepted in the form in which it had been received by the planner from the higher CP authorities. It was voted without a discussion, since everybody knew that it was not safe even to talk about it. The chief accountant then presented his plan for splitting the profits (1,700,000 lev for the year). The plan called for 55% of profits for the State, a certain percentage for depreciation, another for the Fund of Cultural Assistance for the members, still another for the Sport Fund etc. After all these deductions a sum of 770,000 lev remained. Out of this another 10% had to be deducted for the Mutual Assistance Fund. At that point the accountant explained that another total of 490,000 lev would have to be deducted for losses incurred previously but since the profits for the current year were small, this amount was left to be deducted from the next year's profits. Finally it was decided to split the profits among members according to the amount of work produced by each. The highest dividend thus computed amounted to 12,000 lev. A lively discussion followed on operations. Members asked why Cooperative members did not enjoy the same privileges as workers employed in State enterprises - e.g. lodging assistance, working clothes allocations, free transportation to and from the place of work. The answer was that cooperative workers are half-privately employed and all these expenses must be covered out of their dividends, which State workers do not receive. The chairman further added that State workers would soon lose

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these privileges. Some of the more courageous members dared to criticize the board for not running the Cooperative in a more efficient way and not earning higher profits. The chief accountant answered that there was no use discussing the subject because it is not going to help; this is the law; this is what the Government and the Party want and so it has to be. After that there was no more discussion and the plan of profit allocation was accepted. Another member asked when the Cooperative would start repaying its members for their investments in machinery and stock above the required norm. Some members had invested from 400,000 to 800,000 lev. They were told that repayment could take place only after the Cooperative was well established and able to earn a large surplus. Everybody grumbled because they know that the moment the Cooperative is well established it will be nationalized and its members will become plain workers and never see their investments returned. Three members of the board and two members of the Commission were supposed to quit at the end of this term. They were proposed back by the secretary of the Cooperative's CP and nobody dared to oppose. The meetings were closed by reading resolutions for increasing the production, decreasing the costs, increasing vigilance over hostile elements which 'penetrate within'. Telegrams were sent to the great Tchervenkov, the Central Committee of the Party and the County Committee etc, etc."

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